

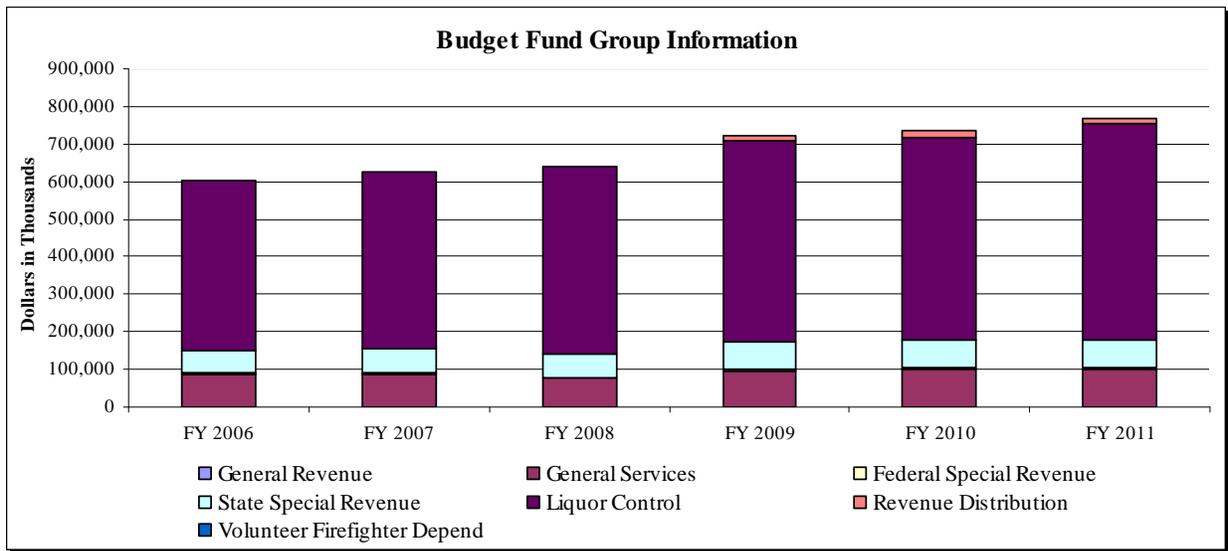
Role and Overview

The Department of Commerce regulates several industries including securities, financial institutions, liquor, cable, and real estate. The Department also enforces the state building codes, fire codes, and prevailing and minimum wage requirements, and administers the collection and return of unclaimed funds. A director is appointed by the Governor to oversee the operations of approximately 900 employees and manage an annual budget of approximately \$720 million. The department is financed primarily by revenue generated from fees assessed to the regulated communities. Additional information regarding the Department of Commerce is available at <http://www.com.state.oh.us/>.

Agency Priorities

- Review industry regulations for appropriateness to modernize regulations where practicable and feasible and to commit to fair and efficient regulations that protect consumers without overburdening business.
- Improve accountability and services provided by the department.
- Maintain appropriate response time to customers’ needs across the regulated industries.
- Monitor the stability and soundness of state chartered financial institutions serving Ohio’s citizens.
- Control administrative expenses in the Liquor Control Division in order to improve net profit rate.
- Improve and enhance the retrieval and distribution of unclaimed funds.

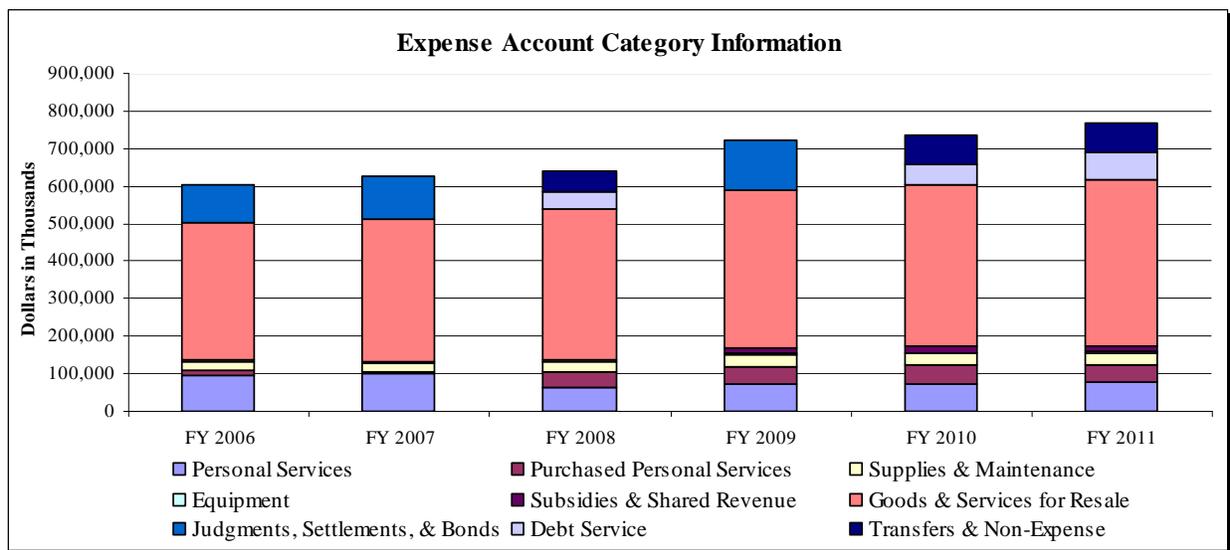
Summary of Budget History and Recommendations



- The department’s only general revenue funded program, Labor and Worker Safety (LAWS), shows a significant increase in recommended appropriation between fiscal year 2009 and fiscal year 2010. Considering the difficult economic times for Ohio’s workers, it is more important now than ever that the LAWS program is adequately funded.
- The Liquor Control Division accounts for the majority of the increase in total appropriations between fiscal year 2009 and fiscal years 2010 and 2011. Approximately \$300 million in revenue is projected to be transferred from this division to the general revenue fund over the biennium.
- While the department has proposed a number of fee increases, which will improve its ability to regulate financial institutions and ensure industrial compliance, total appropriations of state special revenue are constant between fiscal years 2009 and 2010. Aggregate fee revenue for the department will remain relatively unchanged due to difficult economic conditions.

State of Ohio
Department of Commerce

| (In Thousands) BUDGET FUND GROUP | ACTUAL | | | EST. FY 2009 | % CHANGE FY 08-09 | RECOMMENDED | | | |
|-------------------------------------|----------------|----------------|----------------|-----------------|-------------------------|----------------|-------------|----------------|-------------|
| | FY 2006 | FY 2007 | FY 2008 | | | FY 2010 | % CHANGE | FY 2011 | % CHANGE |
| General Revenue | 1,978 | 1,912 | 2,003 | 1,681 | -16.1 | 2,132 | 26.8 | 2,132 | 0.0 |
| General Services | 85,722 | 86,562 | 75,737 | 94,544 | 24.8 | 98,738 | 4.4 | 98,796 | 0.1 |
| Federal Special Revenue | 1,681 | 1,679 | 1,802 | 2,408 | 33.6 | 2,064 | -14.3 | 2,076 | 0.6 |
| State Special Revenue | 62,731 | 63,148 | 63,153 | 74,125 | 17.4 | 73,893 | -0.3 | 74,414 | 0.7 |
| Liquor Control | 451,423 | 470,984 | 498,205 | 534,654 | 7.3 | 542,467 | 1.5 | 575,519 | 6.1 |
| Revenue Distribution | 0 | 0 | 0 | 12,500 | 100.0 | 14,100 | 12.8 | 14,100 | 0.0 |
| Volunteer Firefighter Depend | 0 | 0 | 0 | 0 | 0.0 | 300 | 100.0 | 300 | 0.0 |
| TOTAL | 603,536 | 624,285 | 640,901 | 719,913 | 12.3 | 733,694 | 1.9 | 767,338 | 4.6 |



- Due to changes in the method of coding transactions in the state accounting system, the Transfers & Non-Expense category and Debt Service category expenditures have been aggregated and reported as the Judgments, Settlements and Bonds category in fiscal years 2006 and 2007.

| (In Thousands) EXPENSE ACCOUNT CATEGORY | ACTUAL | | | EST. FY 2009 | % CHANGE FY 08-09 | RECOMMENDED | | | |
|---|----------------|----------------|----------------|-----------------|-------------------------|----------------|-------------|----------------|-------------|
| | FY 2006 | FY 2007 | FY 2008 | | | FY 2010 | % CHANGE | FY 2011 | % CHANGE |
| Personal Services | 95,025 | 99,257 | 63,874 | 73,806 | 15.5 | 73,938 | 0.2 | 75,621 | 2.3 |
| Purchased Personal Services | 14,599 | 5,001 | 43,256 | 46,068 | 6.5 | 48,293 | 4.8 | 48,833 | 1.1 |
| Supplies & Maintenance | 24,783 | 24,770 | 26,615 | 30,864 | 16.0 | 32,155 | 4.2 | 32,763 | 1.9 |
| Equipment | 2,595 | 2,832 | 2,038 | 2,726 | 33.8 | 2,340 | -14.2 | 1,916 | -18.1 |
| Subsidies & Shared Revenue | 1,978 | 1,786 | 1,593 | 14,534 | 812.2 | 15,470 | 6.4 | 15,542 | 0.5 |
| Goods & Services for Resale | 365,272 | 379,287 | 401,262 | 421,802 | 5.1 | 428,749 | 1.6 | 443,344 | 3.4 |
| Judgments, Settlements, & Bonds | 99,284 | 111,353 | 151 | 130,112 | 86,227.1 | 88 | -99.9 | 88 | 0.0 |
| Debt Service | 0 | 0 | 43,882 | 0 | -100.0 | 56,198 | 100.0 | 72,772 | 29.5 |
| Transfers & Non-Expense | 0 | 0 | 58,230 | 0 | -100.0 | 76,464 | 100.0 | 76,458 | 0.0 |
| TOTAL | 603,536 | 624,285 | 640,901 | 719,913 | 12.3 | 733,694 | 1.9 | 767,338 | 4.6 |

PROGRAM SERIES 01: Financial Institutions and Services

This program series provides for the supervision and regulation of banks, credit unions, money transmitters, savings institutions, securities, securities professionals, and various consumer finance organizations. It also provides education regarding home mortgage lending practices to reduce the number of consumers falling victim to abusive lending practices.

Program 01.01: Banks

This program is responsible for the supervision and regulation of state-chartered banks and trust companies including banks, trust-only banks, and bank-trust operations. This program supervises 97 state-chartered commercial banks with over \$80 million in assets. This program does not have jurisdiction over federal thrifts or national banks.

The Executive Recommendation will fund the following objectives:

- Regulate over 110 institutions with aggregate assets of over \$92 billion;
- Provide 44 full-time employees to supervise and regulate state-chartered banks and trust; and
- Increase training for the examination staff as consistent with federal regulators.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|----------|------------------|------------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| SSR | 5440 | 800612 | Banks | 5,891,377 | 5,955,410 |
| TOTAL FOR PROGRAM | | | | 5,891,377 | 5,955,410 |

Program 01.02: Consumer Affairs

This program educates Ohioans on how to protect themselves in the mortgage lending process, receives complaints from those who have been victimized, and acts as a referral service to organizations that can assist borrowers. If lending laws have been violated, the office initiates enforcement actions and refers criminal cases for prosecution.

The Executive Recommendation will fund the following objectives:

- Provide resources to educate the most vulnerable Ohioans on how to protect themselves against abusive lenders;
- Implement initiatives of the Consumer Finance Education Board;
- Support enforcement actions and referrals for criminal prosecution;
- Maintain 11 full-time employees; and
- Distribute financial assistance to address increasing foreclosure rates.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|------------------|----------------|----------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| SSR | 5530 | 800607 | Consumer Finance | 257,574 | 304,854 |
| TOTAL FOR PROGRAM | | | | 257,574 | 304,854 |

Program 01.03: Consumer Finance

This program is responsible for regulating various consumer finance organizations including check cashing services, check casher lenders, credit service organizations, insurance premium finance companies, mortgage brokers, mortgage broker loan officers, pawnbrokers, precious metals dealers, second mortgage businesses, and small loan businesses.

The Executive Recommendation will fund the following objectives:

- Maintain 36 full-time employees to regulate over 16,095 organizations and individuals;
- Conduct over 1,800 examinations of licensees;

- Issue settlement agreements for continuing education non-compliance;
- Deny or revoke over 300 license applications if necessary; and
- Resolve cases on enforcement issues.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|------------------------|------------------|------------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| SSR | 5530 | 800607 | Consumer Finance | 5,109,686 | 4,843,848 |
| SSR | 4X20 | 800619 | Financial Institutions | 744,345 | 740,465 |
| TOTAL FOR PROGRAM | | | | 5,854,031 | 5,584,313 |

Program 01.04: Credit Unions

This program is responsible for the supervision and regulation of 182 state-chartered credit unions with total aggregated assets of \$10.7 billion. It also supervises and co-regulates the private insurer American Share Insurance (ASI), formerly the National Deposit Insurance Corporation (NDIC).

The Executive Recommendation will fund the following objective:

- Maintain 21 full-time employees to supervise and regulate activities of state-chartered credit unions.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|------------------------|------------------|------------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| SSR | 5520 | 800604 | Credit Union | 3,627,390 | 3,627,390 |
| SSR | 4X20 | 800619 | Financial Institutions | 744,343 | 740,465 |
| TOTAL FOR PROGRAM | | | | 4,371,733 | 4,367,855 |

Program 01.05: Money Transmitters

This program provides for the licensing, supervision, and regulation of 52 money transmitters operating in Ohio including financing networks that may be potential threats to Homeland Security.

The Executive Recommendation will fund the following objective:

- Maintain three full-time employees to license and regulate money transmitters.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|----------|----------------|----------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| SSR | 5440 | 800612 | Banks | 811,876 | 797,844 |
| TOTAL FOR PROGRAM | | | | 811,876 | 797,844 |

Program 01.06: Savings Institutions

This program is responsible for the supervision and regulation of 26 state-chartered savings and loan associations and 24 state-chartered savings banks with combined aggregate assets of \$9.7 billion.

The Executive Recommendation will fund the following objectives:

- Fund 15 full-time employees for supervision and regulation of savings institutions; and
- Provide training for the examination staff consistent with federal regulators.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|----------------------|------------------|------------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| SSR | 5450 | 800613 | Savings Institutions | 2,286,615 | 2,307,019 |
| TOTAL FOR PROGRAM | | | | 2,286,615 | 2,307,019 |

Program 01.07: Securities

This program promotes investor education, regulates the sale of securities in Ohio, and licenses securities professionals who sell securities and give advice about investing in securities. It engages in administrative sanctions against those persons and entities violating the securities laws and makes referrals for criminal prosecution.

The Executive Recommendation will fund the following objectives:

- Support 38 full-time employees for licensing and regulation of securities professionals;
- Maintain reviews of over 7,087 filings for sale of securities; and
- Sustain licensure of over 137,000 securities professionals.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|------------------------|------------------|------------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| SSR | 5500 | 800617 | Securities | 4,761,545 | 4,411,545 |
| SSR | 4X20 | 800619 | Financial Institutions | 744,343 | 740,465 |
| TOTAL FOR PROGRAM | | | | 5,505,888 | 5,152,010 |

PROGRAM SERIES 02: Industrial Compliance

This program series is responsible for code development, inspection, plan review, licensing, and permit services related to the commercial building and construction industry.

Program 02.01: Building Code Compliance

This program reviews building plans for new construction, major renovations, additions or alterations for structures, except where local certified building departments have jurisdiction. It also provides for building, electrical, and plumbing inspections of new construction and additions and major alterations of existing structures as well as licensing and certification of plumbing inspectors.

The Executive Recommendation will fund the following objectives:

- Support review of nearly 5,000 architectural project plans;
- Continue the database project to automate scheduling and dispatching for field operations;
- Maintain an electronic-commerce initiative for plans, inspections, and reporting processes;
- Support a mobile office initiative;
- Maintain over 40,000 yearly electrical, plumbing, and structural inspections; and
- Sustain regulatory activities of more than 2,000 violations and 2,000 corresponding enforcement actions.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|-----------------------|------------------|------------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| SSR | 5560 | 800615 | Industrial Compliance | 6,495,126 | 6,673,671 |
| TOTAL FOR PROGRAM | | | | 6,495,126 | 6,673,671 |

Program 02.02: Operations and Maintenance

This program provides for proper operations of critical systems including boilers, elevators, and escalators, and inspections of bedding and upholstered furniture. It also provides licensing and certification for steam engineers and boiler operators, ski lift inspections, and roller rink registration.

The Executive Recommendation will fund the following objectives:

- Provide inspection of over 14,200 boilers, 51,000 elevators and escalators, and approximately 6,700 pieces of bedding and upholstered furniture articles;
- Provide for licensing and certification of steam engineers and boiler operators including 582 historic steam tractor operators; and
- Perform seven ski lift inspections and complete 100 roller rink registrations.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|-----------------------|------------------|------------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| SSR | 5560 | 800615 | Industrial Compliance | 8,817,523 | 9,132,892 |
| TOTAL FOR PROGRAM | | | | 8,817,523 | 9,132,892 |

Program 02.03: Building Code

This program supports the Board of Building Standards and the Board of Building Appeals. The Board of Building Standards formulates and adopts rules governing building construction and maintenance to ensure building safety. The board also certifies local building code enforcement departments and regulates industrialized units. The Board of Building Appeals reviews appeals of orders issued by the Department's Bureau of Construction Compliance or of a certified city or county building department.

The Executive Recommendation will fund the following objectives:

- Support the Board of Building Standards and the Board of Building Appeals;
- Maintain review of more than 660 appeals;
- Sustain the certification of over 3,300 building department personnel, design professionals, and contractors; and
- Fund more than 150 continuing education courses developed and taught by the board's staff.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|-----------------------|------------------|------------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| SSR | 5560 | 800615 | Industrial Compliance | 3,047,446 | 3,187,620 |
| TOTAL FOR PROGRAM | | | | 3,047,446 | 3,187,620 |

Program 02.04: Ohio Construction Industry Licensing Board

This program provides for the testing, licensing, and continuing education for electrical, plumbing, hydraulic, HVAC, and refrigeration contractors.

The Executive Recommendation will fund the following objectives:

- Review applications and issue over 19,000 licenses; and
- Provide approval of over 250 training agencies.

| FUND | | | | RECOMMENDED | |
|-------|------|--------|-----------------------|-------------|-----------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| SSR | 5560 | 800615 | Industrial Compliance | 1,519,160 | 1,569,706 |

| | | |
|--------------------------|-----------|-----------|
| TOTAL FOR PROGRAM | 1,519,160 | 1,569,706 |
|--------------------------|-----------|-----------|

Program 02.05: DIC Program Administration

This program directs, administers, supports, and coordinates the activities of the Industrial Compliance Program Series and serves as a liaison to other government, corporate, and public entities. This program oversees the general management and direction of the programs within the Industrial Compliance Program Series.

The Executive Recommendation will fund the following objectives:

- Provide oversight of 270 employees who provide regulatory services to the construction industry;
- Maintain 35 full-time employees to direct, administer, support, and coordinate activities; and
- Provide staff that serve as a liaison to other government, corporate, and public entities.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|-----------------------|------------------|------------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| SSR | 5560 | 800615 | Industrial Compliance | 5,874,407 | 6,149,528 |
| TOTAL FOR PROGRAM | | | | 5,874,407 | 6,149,528 |

PROGRAM SERIES 03: Liquor Control

This program series is responsible for controlling the manufacture, distribution, and sale of all alcoholic beverages in Ohio. The Division of Liquor Control is the state's sole purchaser and distributor of spirituous liquor.

Program 03.01: Liquor Agency Operations

This program is responsible for the sale of spirituous liquor by more than 430 private businesses, known as liquor agencies, which are contracted by the division to serve as its sales agents. This program is expected to contribute approximately \$300 million to the general revenue fund over the next biennium.

The Executive Recommendation will fund the following objectives:

- Enable the sale of spirituous liquor through more than 430 private liquor agencies; and
- Provide transfer of profits to the general revenue fund to support other state services.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|--------------------------|--------------------|--------------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| LCF | 7043 | 800601 | Merchandising | 472,492,696 | 488,434,277 |
| LCF | 7043 | 800627 | Liquor Control Operating | 3,869,089 | 4,030,064 |
| TOTAL FOR PROGRAM | | | | 476,361,785 | 492,464,341 |

Program 03.02: Permit Licensing and Compliance

This program administers the liquor permitting system for the sale, manufacture, and distribution of all alcoholic beverages. This includes issuance of new permits, renewal and transfer of permits, and the investigative and hearing requirements associated with permit issuance. Permit fees of \$38 million were collected in fiscal year 2008 of which 35 percent was returned to local taxing districts for liquor law enforcement. The program also oversees compliance in the manufacture and distribution of beer, wine, and low-proof mixed beverages.

The Executive Recommendation will fund the following objectives:

- Administer the liquor permitting system for alcoholic beverages including issuance of over 10,000 liquor permits and over 23,000 permit renewals; and
- Conduct investigations and hold objection hearings as necessary.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|--------------------------|-------------------|-------------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| LCF | 7043 | 800627 | Liquor Control Operating | 5,975,021 | 6,240,922 |
| RDF | 7066 | 800966 | Undivided Liquor Permits | 14,100,000 | 14,100,000 |
| TOTAL FOR PROGRAM | | | | 20,075,021 | 20,340,922 |

Program 03.03: Debt Service Payments

This program provides debt service payments on bonds issued under the authority of Ohio Revised Code, Chapters 166 and 151 to support various economic development initiatives and environmental clean-up initiatives that are appropriated in the Department of Development.

The Executive Recommendation will fund the following objective:

- Provide debt service payments for Department of Development programs.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|-----------------------------|-------------------|-------------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| LCF | 7043 | 800633 | Dev Assistance Debt Service | 40,565,100 | 52,412,800 |
| LCF | 7043 | 800636 | Revitalization Debt Service | 15,632,800 | 20,359,000 |
| TOTAL FOR PROGRAM | | | | 56,197,900 | 72,771,800 |

Program 03.04: Liquor Control Program Administration

This program provides administrative support for the Liquor Control Program Series and pays administrative costs not specific to other programs. This program provides services that include, but are not limited to, administration, communications, equipment purchase, building rent and utilities, and workers' compensation.

The Executive Recommendation will fund the following objective:

- Provide oversight and general management of over 120 employees.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|--------------------------|------------------|------------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| LCF | 7043 | 800627 | Liquor Control Operating | 3,932,320 | 4,042,360 |
| TOTAL FOR PROGRAM | | | | 3,932,320 | 4,042,360 |

PROGRAM SERIES 04: Real Estate

This program series licenses, certifies, and registers Ohio real estate brokers, salespersons and brokerages, foreign real estate dealers and salespersons, real property appraisers, and active cemeteries. The program also registers property located outside Ohio but marketed in the state. It investigates complaints and brings enforcement actions against violators of license laws.

Program 04.01: Real Estate

This program licenses and regulates real estate brokers and salespersons and supports the work of the Ohio Real Estate Commission. It also licenses and regulates dealers and salespersons engaged in foreign real estate sales and leasing, and registers foreign real estate property. At the end calendar year 2008, the program maintained licenses for 6,504 brokers, 40,715 salespersons, and 4,286 brokerages with 1,201 branch offices. The program also oversaw 196 licensed foreign real estate dealers, salespersons and corporations with 262 foreign property registrations. In addition, the program investigates complaints received against licensees and complaints about unlicensed activity.

In calendar year 2008 there were 514 new complaints assigned for investigation and 823 investigations were finalized.

The Executive Recommendation will fund the following objectives:

- Maintain the licensing and regulatory activities of real estate brokers, salespersons, brokerages, foreign real estate dealers, salespersons, and property registrations;
- Enforce compliance of R.C. 4735 through the investigation of complaints and corresponding administrative hearings; and
- Provide these regulatory functions and support for the Ohio Real Estate Commission.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|--------------------------------|------------------|------------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| SSR | 5470 | 800603 | Real Estate Education/research | 250,000 | 250,000 |
| SSR | 5480 | 800611 | Real Estate Recovery | 50,000 | 50,000 |
| SSR | 5490 | 800614 | Real Estate | 3,456,405 | 3,451,694 |
| TOTAL FOR PROGRAM | | | | 3,756,405 | 3,751,694 |

Program 04.02: Real Property Appraisers

This program licenses, certifies, registers and regulates real property appraisers and supports the work of the Ohio Real Estate Appraiser Board. At the end of calendar year 2008, the program maintained the credentials for 3,921 appraisers. In addition, the program investigates complaints received against appraisers. In calendar year 2008 there were 248 new complaints assigned for investigation. The Appraiser Board revoked the credentials of 12 appraisers in 2008 for misleading appraisals often used in predatory lending or other schemes leading to the foreclosure crisis.

The Executive Recommendation will fund the following objectives:

- Maintain the licensing, certification, and registration of Ohio's appraisers;
- Enforcement compliance of R.C. 4763 through the investigation of complaints and corresponding administrative hearings; and
- Provide these regulatory functions and support for the Ohio Real Estate Appraiser Board.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|---------------------------------|----------------|----------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| SSR | 4B20 | 800631 | Real Estate Appraisal Recovery | 35,000 | 35,000 |
| SSR | 6A40 | 800630 | Real Estate Appraiser-Operating | 664,006 | 664,006 |
| TOTAL FOR PROGRAM | | | | 699,006 | 699,006 |

Program 04.03: Cemetery Registration

This program registers all active cemeteries in Ohio and investigates complaints or disputes involving registered cemeteries. This program also collects fees for burial permits issued in Ohio.

The Executive Recommendation will fund the following objectives:

- Register and regulate almost 3,400 registered cemeteries;
- Investigate complaints and disputes involving cemeteries in Ohio; and
- Support the Ohio Cemetery Dispute Resolution Commission.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|------------|----------------|----------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| SSR | 4H90 | 800608 | Cemeteries | 273,465 | 273,465 |
| TOTAL FOR PROGRAM | | | | 273,465 | 273,465 |

PROGRAM SERIES 05: State Fire Marshal

This program series is responsible for training, education, research, regulation, and enforcement in the area of fire safety and fire prevention.

Program 05.01: Ohio Fire Academy

This program conducts fire-related training courses for more than 15,000 emergency responders annually. Training, which is conducted at the Academy facilities and on-site throughout the state, includes firefighting, anti-terrorism response, and urban search and rescue.

The Executive Recommendation will fund the following objectives:

- Provide over 150 on-campus courses and more than 850 direct delivery classes; and
- Provide specialized weapons of mass destruction courses through homeland security grants.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|--------------|------------------|------------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| SSR | 5460 | 800610 | Fire Marshal | 2,835,646 | 2,826,404 |
| TOTAL FOR PROGRAM | | | | 2,835,646 | 2,826,404 |

Program 05.02: Code Enforcement

This program performs fire safety inspections at hotels, motels, hospitals, nursing homes, and other buildings and events. It also enforces the fire code at fireworks facilities, manufacturers, and exhibitions. In fiscal year 2008 this program conducted approximately 15,000 fire safety inspections.

The Executive Recommendation will fund the following objective:

- Conduct over 9,500 fire safety inspections and 5,500 re-inspections.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|--------------|------------------|------------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| SSR | 5460 | 800610 | Fire Marshal | 3,130,793 | 3,109,192 |
| TOTAL FOR PROGRAM | | | | 3,130,793 | 3,109,192 |

Program 05.03: Investigations

This program is responsible for investigating the cause, origin, and circumstances of fires, explosions, and fireworks incidents in Ohio. It is also responsible for the arrest and prosecution of persons believed to be guilty of arson or similar crimes. In fiscal year 2007 this program determined that 460 of the 1250 incidents investigated were a result of arson. The Fire Explosion Investigation Bureau investigators are the law enforcement arm of the Division of State Fire Marshal, and all investigators are trained sworn peace officers in the State of Ohio.

The Executive Recommendation will fund the following objectives:

- Provide approximately 1,000 fire and explosion investigations;
- Support the filing of felony criminal charges if necessary;

- Support 28 arson investigators and supervisors to perform fire and explosion investigations for over 1,200 fire departments; and
- Provide three accelerant detection canine teams to assist in recovering valuable evidence at arson crime scenes.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|--------------|------------------|------------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| SSR | 5460 | 800610 | Fire Marshal | 2,552,148 | 2,582,465 |
| TOTAL FOR PROGRAM | | | | 2,552,148 | 2,582,465 |

Program 05.04: Fire Prevention

This program creates fire safety publications and conducts fire safety education outreach at schools, senior centers, health care facilities, and other locations as requested. This program also promotes the use of fire detectors and distributes free detectors in southeast Ohio. On average, more than 3,600 fire safety-related programs reach 85,000 Ohioans annually.

The Executive Recommendation will fund the following objective:

- Maintain fire prevention programs for Ohioans.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|--------------|------------------|------------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| SSR | 5460 | 800610 | Fire Marshal | 1,150,717 | 1,119,001 |
| TOTAL FOR PROGRAM | | | | 1,150,717 | 1,119,001 |

Program 05.05: Forensic Lab

This program provides scientific examinations of ignitable liquids, fire debris, explosives, latent fingerprints, and general examination of physical evidence involved in a suspected arson fire, explosive incident, or other criminal activity for fire and law enforcement agencies throughout the state of Ohio. During fiscal year 2008, the laboratory examined 742 cases consisting of 3,284 pieces of evidence.

The Executive Recommendation will fund the following objective:

- Maintain seven full-time employees for the examination of evidence for fire related investigations.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|--------------|----------------|----------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| SSR | 5460 | 800610 | Fire Marshal | 724,627 | 748,012 |
| TOTAL FOR PROGRAM | | | | 724,627 | 748,012 |

Program 05.06: Bureau of Underground Storage Tanks

This program regulates and enforces statutes related to the registration, installation, removal, and clean-up of approximately 23,000 petroleum and hazardous substance underground storage tanks. In fiscal year 2008, the program performed approximately 2,300 inspections of underground storage tank systems to determine compliance with state regulations, initiated 285 administrative enforcement actions, and completed the assessment and cleanup of 895 releases of petroleum into the environment. This program is also responsible for performing the regulatory licensing duties and revenue collection associated with over 33,000 customers. Those licenses include fire protection individuals & companies, underground storage tank (UST) annual registration, UST permits for repair, hotel/motels, UST installers, UST inspectors, storage of explosives, fireworks manufacturers, fireworks wholesalers,

fireworks out-of-state shippers, fireworks exhibitors, exhibitor assistants, pyrotechnic exhibitors, and flame effect exhibitors. In fiscal year 2008, over \$2.8 million in licensing revenue was processed.

The Executive Recommendation will fund the following objectives:

- Support 36 full-time employees for regulation of tanks; and
- Increase inspections to meet new federal requirements.
- Regulate licensure of Underground Storage Tanks.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|----------------------------------|------------------|------------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| FED | 3480 | 800622 | Underground Storage Tanks | 586,128 | 585,782 |
| FED | 3480 | 800624 | Leaking Underground Storage Tank | 1,477,606 | 1,489,717 |
| SSR | 5460 | 800610 | Fire Marshal | 574,376 | 581,001 |
| SSR | 6530 | 800629 | UST Registration/Permit Fee | 1,433,189 | 1,431,831 |
| TOTAL FOR PROGRAM | | | | 4,071,299 | 4,088,331 |

Program 05.07: Fire Department Assistance

This program provides grants and no-interest loans to local fire departments to offset the cost of training and equipment. In fiscal year 2008, 128 grants were awarded with the average grant award being \$7,677.

The Executive Recommendation will fund the following objectives:

- Provide over 100 grants to local fire departments; and
- Provide more than 540 grants for training reimbursements.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|--------------------------------------|------------------|------------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| SSR | 5460 | 800639 | Fire Department Grants | 1,695,198 | 1,698,802 |
| 085 | 7085 | 800985 | Volunteer Firemen's Departments Fund | 300,000 | 300,000 |
| TOTAL FOR PROGRAM | | | | 1,995,198 | 1,998,802 |

Program 05.08: State Fire Marshal Program Administration

This program directs, administers, supports, and coordinates the activities of the programs of the State Fire Marshal Program Series and serves as a liaison to other government, corporate, and public entities. It provides support for employees who provide regulatory services and support to Ohio's fire service industry. The services provided include, but are not limited to, communications, fiscal administration, legal, quality control, and support services. This program also includes regulation of the fireworks industry.

The Executive Recommendation will fund the following objectives:

- Fund 15 full-time employees to oversee over 200 employees of the State Fire Marshal Program Series; and
- Maintain the new dorm and office building for the Academy and State Fire Marshal offices.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|----------------------------------|------------------|------------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| GSF | 5F10 | 800635 | Small Government Fire Department | 300,000 | 300,000 |
| SSR | 5460 | 800610 | Fire Marshal | 4,150,366 | 4,225,646 |
| TOTAL FOR PROGRAM | | | | 4,450,366 | 4,525,646 |

PROGRAM SERIES 06: Unclaimed Funds

This program series is responsible for the safekeeping and return of moneys designated as “unclaimed.”

Program 06.01: Unclaimed Funds

Each year, due to death, inadvertence, or forgetfulness, more than 400,000 people and organizations lose track of moneys, rights to moneys, and intangible property in Ohio. The funds are remitted to this program by various entities, such as employers, corporations, financial institutions, and insurance companies. The program then acts as the custodian of the funds and returns them to their rightful owners. In fiscal year 2008, \$193.2 million was collected and a total of over \$57.8 million was returned to current or former Ohio residents.

The Executive Recommendation will fund the following objectives:

- Increase the number of audits of businesses for reporting of unclaimed funds;
- Advertise unclaimed funds to citizens for collection, including the online Treasure Hunt service;
- Provide for the return of \$75 million or more of unclaimed funds in both fiscal years 2010 and 2011; and
- Maintain the collection and reporting of unclaimed funds from holders.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|---------------------------|-------------------|-------------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| GSF | 5430 | 800602 | Unclaimed Funds-Operating | 9,948,085 | 9,948,085 |
| GSF | 5430 | 800625 | Unclaimed Funds-Claims | 75,000,000 | 75,000,000 |
| TOTAL FOR PROGRAM | | | | 84,948,085 | 84,948,085 |

PROGRAM SERIES 07: Wage, Hour, and Minor Law Enforcement

This program series promotes minor safety in the work place and overall compliance with wage laws.

Program 07.01: Wage, Hour, and Minor Law Enforcement

This program enforces minimum wage, overtime and minor labor laws. It also enforces Ohio’s prevailing wage law, which is the wage rate that must be paid to employees who work on public improvement construction projects. In fiscal year 2007, this program collected \$1.8 million in prevailing wage back wages, \$250 thousand in minimum and overtime back wages, \$200 thousand in minimum wage damages and \$100 thousand in prevailing wage penalties.

The Executive Recommendation will fund the following objective:

- Maintain ability to receive and process complaints regarding the increased minimum wage.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|-------------------------|------------------|------------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| GRF | GRF | 800410 | Labor And Worker Safety | 2,132,396 | 2,132,396 |
| SSR | 5K70 | 800621 | Penalty Enforcement | 150,000 | 150,000 |
| TOTAL FOR PROGRAM | | | | 2,282,396 | 2,282,396 |

PROGRAM SERIES 08: Program Management

This program series provides policy and administrative direction as well as centralized functions for the department.

Program 08.01: Program Management

This program directs, administers, supports, and coordinates the activities of the seven program series of the department and serves as a liaison to other government, corporate, and public entities. It provides support services for over 900 state employees including, but not limited to, communications, fiscal administration, human resources,

legal, legislative affairs, quality control, training, and employee development. This program also administers Am. Sub. S.B. 117, the Video Service Authorization Act.

The Executive Recommendation will fund the following objective:

- Support approximately 130 full-time employees to provide administration for the seven program series of the department including those employee centralized fiscal and information technology employees under the Division of Administration.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|----------------------------|------------------|------------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| GSF | 1630 | 800620 | Division Of Administration | 7,270,049 | 7,411,286 |
| TOTAL FOR PROGRAM | | | | 7,270,049 | 7,411,286 |

Program 08.02: Information Technology Group

This program provides information technology (IT) support services for over 900 employees within the department. These services include, but are not limited to, planning, technical support, hardware/software purchasing advice, infrastructure support for agency-wide IT databases/systems, web development and maintenance of the agency website, and support for the creation and implementation of new technology systems.

The Executive Recommendation will fund the following objective:

- Provide planning, technical assistance, procurement, development, and maintenance related to IT for individual programs as well as agency-wide strategies.

| FUND | | | | RECOMMENDED | |
|--------------------------|------|--------|------------------------|------------------|------------------|
| GROUP | FUND | ALI | ALI NAME | FY 2010 | FY 2011 |
| GSF | 1630 | 800637 | Information Technology | 6,219,734 | 6,137,122 |
| TOTAL FOR PROGRAM | | | | 6,219,734 | 6,137,122 |

LINE ITEM SUMMARY - Department of Commerce

| FUND | ALI | ALI NAME | FY 2006 ACTUAL | FY 2007 ACTUAL | FY 2008 ACTUAL | FY 2009 ESTIMATE | FY 2010 RECOMMENDED | % CHANGE | FY 2011 RECOMMENDED | % CHANGE |
|--------------------------------------|--------|----------------------------------|-------------------|-------------------|-------------------|---------------------|------------------------|--------------|------------------------|-------------|
| GRF | 800410 | Labor and Worker Safety | 1,978,124 | 1,912,407 | 2,003,463 | 1,681,319 | 2,132,396 | 26.8 | 2,132,396 | 0.0 |
| TOTAL General Revenue | | | 1,978,124 | 1,912,407 | 2,003,463 | 1,681,319 | 2,132,396 | 26.8 | 2,132,396 | 0.0 |
| 1630 | 800620 | Division of Administration | 4,056,335 | 4,190,971 | 4,360,188 | 4,478,037 | 7,270,049 | 62.3 | 7,411,286 | 1.9 |
| 1630 | 800637 | Information Technology | 2,831,815 | 2,447,272 | 4,742,261 | 6,715,963 | 6,219,734 | -7.4 | 6,137,122 | -1.3 |
| 5430 | 800602 | Unclaimed Funds-Operating | 14,379,499 | 7,787,347 | 8,695,254 | 8,049,937 | 9,948,085 | 23.6 | 9,948,085 | 0.0 |
| 5430 | 800625 | Unclaimed Funds-Claims | 64,370,418 | 71,886,435 | 57,688,890 | 75,000,000 | 75,000,000 | 0.0 | 75,000,000 | 0.0 |
| 5F10 | 800635 | Small Government Fire Department | 84,000 | 250,000 | 250,000 | 300,000 | 300,000 | 0.0 | 300,000 | 0.0 |
| TOTAL General Services | | | 85,722,067 | 86,562,025 | 75,736,594 | 94,543,937 | 98,737,868 | 4.4 | 98,796,493 | 0.1 |
| 3480 | 800622 | Underground Storage Tanks | 190,209 | 195,717 | 341,785 | 558,099 | 586,128 | 5.0 | 585,782 | -0.1 |
| 3480 | 800624 | Leaking Underground Storage Tank | 1,491,033 | 1,482,993 | 1,460,669 | 1,850,000 | 1,477,606 | -20.1 | 1,489,717 | 0.8 |
| TOTAL Federal Special Revenue | | | 1,681,242 | 1,678,710 | 1,802,454 | 2,408,099 | 2,063,734 | -14.3 | 2,075,499 | 0.6 |
| 4B20 | 800631 | Real Estate Appraisal Recovery | 0 | 20,000 | 30,000 | 5,000 | 35,000 | 600.0 | 35,000 | 0.0 |
| 4H90 | 800608 | Cemeteries | 260,608 | 270,932 | 235,765 | 273,465 | 273,465 | 0.0 | 273,465 | 0.0 |
| 4X20 | 800619 | Financial Institutions | 2,816,087 | 2,037,593 | 1,764,409 | 2,523,918 | 2,233,031 | -11.5 | 2,221,395 | -0.5 |
| 5440 | 800612 | Banks | 5,940,081 | 6,599,120 | 5,811,757 | 6,703,254 | 6,703,253 | 0.0 | 6,753,254 | 0.7 |
| 5450 | 800613 | Savings Institutions | 1,740,773 | 1,951,499 | 1,677,396 | 2,286,616 | 2,286,615 | 0.0 | 2,307,019 | 0.9 |
| 5460 | 800610 | Fire Marshal | 12,441,885 | 11,983,305 | 12,991,182 | 14,082,429 | 15,118,673 | 7.4 | 15,191,721 | 0.5 |
| 5460 | 800639 | Fire Department Grants | 1,905,153 | 1,661,911 | 1,450,282 | 1,647,140 | 1,695,198 | 2.9 | 1,698,802 | 0.2 |
| 5460 | 800640 | Homeland Security Grants | 0 | 0 | 0 | 10,000 | 0 | -100.0 | 0 | .0 |
| 5470 | 800603 | Real Estate Education/research | 48,581 | 74,443 | 145,027 | 250,000 | 250,000 | 0.0 | 250,000 | 0.0 |
| 5480 | 800611 | Real Estate Recovery | 40,000 | 84,709 | 17,180 | 50,000 | 50,000 | 0.0 | 50,000 | 0.0 |
| 5490 | 800614 | Real Estate | 3,226,127 | 3,246,126 | 2,998,859 | 3,016,171 | 3,456,405 | 14.6 | 3,451,694 | -0.1 |
| 5500 | 800617 | Securities | 3,934,455 | 3,786,680 | 3,620,249 | 4,473,094 | 4,761,545 | 6.4 | 4,411,545 | -7.4 |
| 5520 | 800604 | Credit Union | 2,795,907 | 3,099,992 | 2,669,079 | 3,627,390 | 3,627,390 | 0.0 | 3,627,390 | 0.0 |
| 5530 | 800607 | Consumer Finance | 3,624,365 | 4,649,178 | 4,550,874 | 5,800,445 | 5,367,260 | -7.5 | 5,148,702 | -4.1 |
| 5560 | 800615 | Industrial Compliance | 22,070,058 | 21,919,827 | 23,555,917 | 27,195,073 | 25,753,662 | -5.3 | 26,713,417 | 3.7 |

LINE ITEM SUMMARY - Department of Commerce

| FUND | ALI | ALI NAME | FY 2006 ACTUAL | FY 2007 ACTUAL | FY 2008 ACTUAL | FY 2009 ESTIMATE | FY 2010 RECOMMENDED | % CHANGE | FY 2011 RECOMMENDED | % CHANGE |
|---|--------|--------------------------------------|--------------------|--------------------|--------------------|---------------------|------------------------|-------------|------------------------|-------------|
| 5K70 | 800621 | Penalty Enforcement | 34,475 | 0 | 45,729 | 50,000 | 150,000 | 200.0 | 150,000 | 0.0 |
| 5X60 | 800623 | Video Service | 0 | 0 | 0 | 0 | 34,476 | .0 | 34,476 | 0.0 |
| 6530 | 800629 | UST Registration/permit Fee | 1,191,688 | 1,187,048 | 1,034,940 | 1,467,160 | 1,433,189 | -2.3 | 1,431,831 | -0.1 |
| 6A40 | 800630 | Real Estate Appraiser-Operating | 660,972 | 575,488 | 554,355 | 664,006 | 664,006 | 0.0 | 664,006 | 0.0 |
| TOTAL State Special Revenue | | | 62,731,214 | 63,147,849 | 63,153,002 | 74,125,161 | 73,893,168 | -0.3 | 74,413,717 | 0.7 |
| 7043 | 800601 | Merchandising | 401,268,248 | 417,789,497 | 441,616,966 | 464,027,015 | 472,492,696 | 1.8 | 488,434,277 | 3.4 |
| 7043 | 800627 | Liquor Control Operating | 15,990,580 | 14,409,669 | 12,706,854 | 16,326,987 | 13,776,430 | -15.6 | 14,313,346 | 3.9 |
| 7043 | 800633 | Dev Assistance Debt Service | 28,876,375 | 29,647,952 | 31,380,022 | 38,616,800 | 40,565,100 | 5.0 | 52,412,800 | 29.2 |
| 7043 | 800636 | Revitalization Debt Service | 5,288,108 | 9,136,672 | 12,501,618 | 15,683,300 | 15,632,800 | -0.3 | 20,359,000 | 30.2 |
| 7043 | 970321 | Operating | 0 | -3 | 0 | 0 | 0 | .0 | 0 | .0 |
| TOTAL Liquor Control | | | 451,423,311 | 470,983,787 | 498,205,460 | 534,654,102 | 542,467,026 | 1.5 | 575,519,423 | 6.1 |
| 7066 | 800966 | Undivided Liquor Permits | 0 | 0 | 0 | 12,500,000 | 14,100,000 | 12.8 | 14,100,000 | 0.0 |
| TOTAL Revenue Distribution | | | 0 | 0 | 0 | 12,500,000 | 14,100,000 | 12.8 | 14,100,000 | 0.0 |
| 7085 | 800985 | Volunteer Firemen's Departments Fund | 0 | 0 | 0 | 0 | 300,000 | .0 | 300,000 | 0.0 |
| TOTAL Volunteer Firefighter Depend | | | 0 | 0 | 0 | 0 | 300,000 | .0 | 300,000 | 0.0 |
| TOTAL Department of Commerce | | | 603,535,958 | 624,284,777 | 640,900,973 | 719,912,618 | 733,694,192 | 1.9 | 767,337,528 | 4.6 |